

UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA

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SHAUN GOODRICH,

Plaintiff(s),

v.

GRG ENTERPRISES, LLC, et al.,

Defendant(s).

Case No. 2:20-CV-671 JCM (NJK)

ORDER

Presently before the court is defendant GRG Enterprises, LLC d/b/a Mackenzie River's ("GRG") motion for determination of good faith settlement. (ECF No. 44). Plaintiff Shaun Goodrich joined GRG's motion. (ECF No. 45). Defendants Callville Bay Resort & Marina and Forever Resorts LLC ("Callville") filed a response, (ECF No. 47), to which third-party defendant Matthias Horch ("Horch") joined, (ECF No. 48). GRG replied. (ECF No. 49).

**I. Background**

The instant matter arises from two distinct incidents where plaintiff Goodrich was injured. (ECF No. 1).

The first incident occurred on March 11, 2018, while plaintiff was a customer at MacKenzie River Pizza, Grill & Pub which is operated by GRG. (ECF No. 31). Plaintiff fell from an allegedly defective stool and was hospitalized. (*Id.*). Several months later, on May 28, 2018, plaintiff was injured in a second incident while walking on a dock, owned by Callville. (ECF No. 1). Plaintiff fell off the dock and was hospitalized. (*Id.*).

Plaintiff and GRG have worked out a settlement of \$33,637.71, which this court is now asked to determine is in good faith pursuant to NRS § 17.245. (ECF Nos. 44, 45). Defendants Callville and Horch oppose the instant request. (ECF Nos. 47, 48).

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## 1      **II.      Legal Standard**

2            Under Nevada law, the determination of whether a settlement is entered in “good faith”  
 3      under NRS § 17.245 is “left to the discretion of the trial court based upon all relevant facts  
 4      available.” *Velsicol Chemical Corp. v. Davidson*, 107 Nev. 356, 811 P.2d 561, 563 (Nev. 1991).  
 5      The factors discussed in *In re MGM Grand Hotel Fire Litigation*, 570 F. Supp. 913, 927 (D.  
 6      Nev. 1983), may be among the relevant facts a court may choose to consider in the exercise of its  
 7      “considerable discretion.” *The Doctors Co. v. Vincent*, 120 Nev. 644, 98 P.3d 681, 686-87 (Nev.  
 8      2004).

9            Such factors include “the amount paid in settlement, the allocation of the settlement  
 10     proceeds among plaintiffs, the insurance policy limits of settling defendants, the financial  
 11     condition of settling defendants, and the existence of collusion, fraud or tortious conduct aimed  
 12     to injure the interests of non-settling defendants.” *In re MGM*, 570 F. Supp. at 927 (citing  
 13     *Commercial Union Ins. Co. v. Ford Motor Co.*, 640 F.2d 210 (9th Cir. 1981)). However,  
 14     Nevada law includes no requirement that a court consider or limit its analysis to the *MGM*  
 15     factors or hold a hearing before making a determination of good faith. *Velsicol*, 811 P.2d at 563.

## 16     **III.      Discussion**

17            On October 22, 2020, plaintiff and GRG reached a proposed settlement in the amount of  
 18     \$33,637.71, which was calculated in order to cover plaintiff’s past medical damages. (ECF No.  
 19     44). GRG now moves for determination of good faith settlement. (*Id.*).

20            In opposition, Callville and Horch first argue that Nevada law does not apply, because  
 21     “any settlement here would be governed by substantive maritime law, specifically the  
 22     proportionate share rule from *McDermott, Inc. v. AmClyde and Riverdon Castings Ltd.*, 511 U.S.  
 23     202 (1994).” (ECF No. 47). This court disagrees. The accident pertinent to the instant  
 24     settlement occurred in Summerlin, Las Vegas, miles away from any bodies of water. (ECF No.  
 25     1). The alleged tort with GRG did not occur on “navigable water” as required to confer  
 26     admiralty jurisdiction. *Jerome B. Grubart, Inc. v. Great Lakes Dredge & Dock Co.*, 513 U.S.  
 27     527, 534 (1995). The only incident that occurred on “an interstate body of water” is the  
 28     separate, sequential incident which occurred on Callville’s premises. This court will thus  
     examine the instant motion pursuant to Nevada law, NRS § 17.245.

1 Callville and Horch generally oppose the settlement between plaintiff and GRG because,  
 2 “without full discovery and expert investigation into the nature of the alleged incidents and the  
 3 allegations of Plaintiff . . . , there is no way to know yet what a reasonable settlement would be.”  
 4 (ECF No. 47). Furthermore, the response takes issue with the settlement agreement’s alleged  
 5 failure to consider “consider GRG’s insurance policy limit of \$1,000,000, nor did the parties  
 6 consider GRG’s financial condition as a solvent company.” (*Id.*). This court again disagrees.  
 7 The parties have conducted sufficient discovery, and in fact, plaintiff was given the “option to  
 8 retain an expert, to conduct written discovery and to inspect GRG[’s] . . . barstool.” (ECF No.  
 9 44). The decision was made by plaintiff to not incur further costs and instead to settle as the  
 10 parties have. Although third-party defendant Horch was not given the opportunity to conduct  
 11 discovery, Horch was not involved at all in the incident involving GRG. Based on the existing  
 12 record, this court is fully capable of determining whether the instant settlement was made in  
 13 good faith without further discovery. As to GRG’s alleged omissions, the reply has  
 14 appropriately addressed those concerns: “Plaintiff’s total claimed medical damages, as computed  
 15 by Plaintiff and disclosed in his FRCP 26 disclosures is \$87,502.42,” of which the settlement  
 16 covers nearly 40%. (ECF No. 49). Callville’s attempt to invoke policy limit coverage does not  
 17 appropriately relate to the proposed settlement amount.

18 Having addressed Callville’s objection, this court examines whether the settlement in  
 19 question satisfies the applicable *MGM* factors. 570 F. Supp. at 927. GRG’s motion sufficiently  
 20 addresses each of these factors. (ECF No. 44). Plaintiff and GRG have agreed to settle for  
 21 \$33,637.71, proceeds that will go solely to plaintiff. (*Id.*). In exchange, plaintiff will dismiss all  
 22 its claims against GRG, which plaintiff would “have difficulty establishing.” (*Id.*). GRG asserts  
 23 that the parties arrived at this amount as the result of an arms-length negotiation. (*Id.*). GRG  
 24 presents that insurance policy limits and the financial condition of the settling parties are not  
 25 relevant factors here due to “small potential liability;” however, GRG discloses that the policy  
 26 limit is one million dollars and its business remains solvent. (*Id.*). Finally, GRG asserts that the  
 27 parties’ settlement was free from collusion, fraud, or tortious conduct. (*Id.*). This court finds  
 28 that no collusive conduct has occurred here.

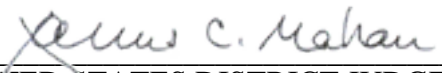
1 In light of the foregoing and upon review of the record, the court finds that the settlement  
2 between plaintiff and GRG was made in good faith. (*Id.*). This court also thus dismisses all past,  
3 present, and future claims for implied indemnity, equitable indemnity, and contribution against  
4 GRG by operation of NRS 17.245(1)(b).

5 **IV. Conclusion**

6 Accordingly,

7 IT IS HEREBY ORDERED, ADJUDGED, and DECREED that defendant GRG's  
8 motion for determination of good faith settlement (ECF No. 44) be, and the same hereby is,  
9 GRANTED.

10 DATED January 11, 2021.

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UNITED STATES DISTRICT JUDGE